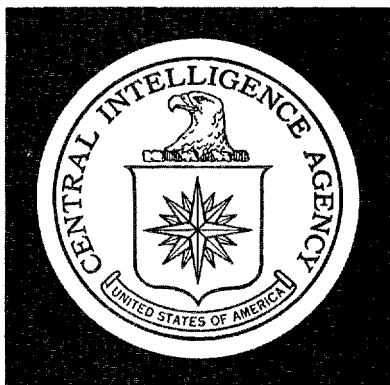


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51

16 April 1969

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Approved For Release 2004/01/15 : CIA-RDP79T00975A013500050001-6

Central Intelligence Bulletin

CONTENTS

South Vietnam: Situation report. (Page 1)

North Korea: Yesterday's shootdown appears to have been deliberate. (Page 2)

Czechoslovakia: Various leaders prepare for tomorrow's central committee plenum. (Page 4)

Cambodia: New pressure being applied against Vietnamese Communist forces in Cambodia. (Page 6)

Laos: The Communists have captured a government outpost in the northwest. (Page 9)

Malaysia: Communist elements plan violent demonstrations in the current election campaign. (Page 10)

Albania-Yugoslavia-Rumania: Tirana points to a common interest in resisting Soviet pressures. (Page 13)

Hungary: Housecleaning in the Council of Ministers is rumored. (Page 14)

India: Dissension in Andhra Pradesh is endangering stability there. (Page 15)

Egypt-Israel: Gunfire exchanges (Page 19)

Nigeria: OAU committee meeting (Page 21)

Colombia: Petroleum exports (Page 21)

Brazil: Political purges (Page 21)

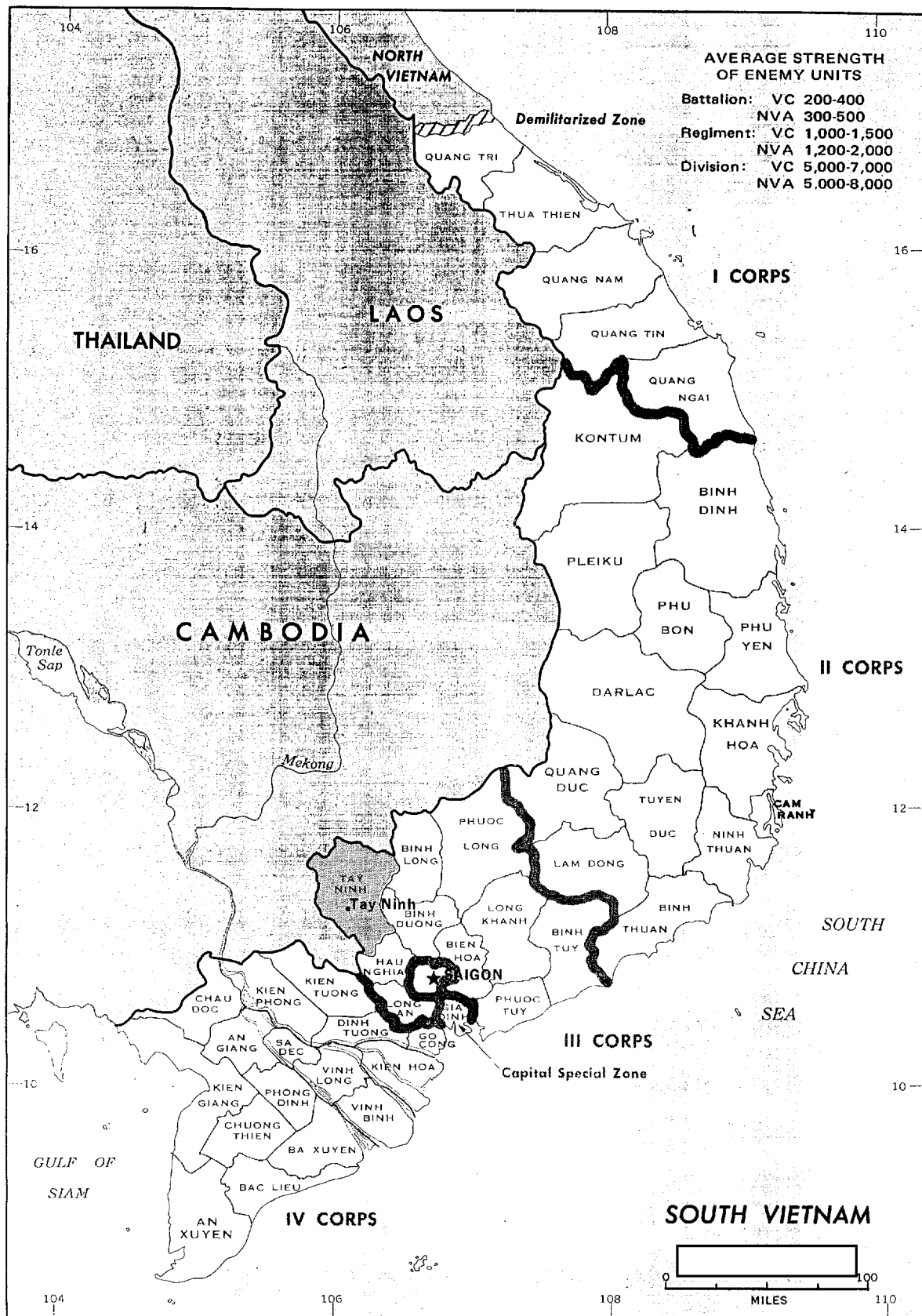
Peru - Eastern Europe: Recognition (Page 22)

Canada: NATO policy (Page 22)

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[South Vietnam: Heavy ground fighting erupted northwest of Saigon in Tay Ninh Province on 15 April, but military activity elsewhere remained at a low level.

Following several hours of preparatory shelling, battalion-sized infantry forces attempted to overrun the fire support base of a US 25th Infantry Division battalion located some 18 miles southeast of Tay Ninh city and less than a mile from the Cambodian border. Allied defenders beat back what were described as a series of "human wave" assaults, killing nearly 200 enemy troops while losing 13 killed and three wounded. Elements of the 9th Division have tried several major attacks against this base since their 1969 spring offensive unfolded on 23 February. All of the attacks have cost the enemy heavy casualties. [REDACTED]

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16 Apr 69

Central Intelligence Bulletin

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North Korea: Yesterday's shootdown of a US reconnaissance aircraft over the Sea of Japan has all the earmarks of a deliberate action.

Pyongyang radio linked this incident with an allegedly simultaneous US "provocation" along the military demarcation line and enjoined the US "aggressors" to bear in mind that North Korean warnings of retaliation are "not empty words." The North Koreans probably believe that, in the aftermath of the Pueblo affair, a considerable body of world opinion is likely to be receptive to their claim that the aircraft had violated North Korean airspace.

Pyongyang's prompt move to call for a Military Armistice Commission meeting on 18 April apparently is designed to portray North Korea as the aggrieved party and to provide an effective propaganda forum for elaborating charges of US "aggression."

In taking the calculated risk of shooting down the US aircraft, the North Koreans probably were motivated in part by a desire to offset the failure of their attempts over the past year to generate an "armed guerrilla struggle" in South Korea and to undermine and demoralize the Seoul government.

Since the crushing of their ambitious infiltration operation on South Korea's east coast last November, North Korean harassment and pressures along the Demilitarized Zone have declined to the low level that usually characterizes the winter months. This latest act of defiance against the US may be intended as a forerunner of another round of aggressive pressure in the Demilitarized Zone area as the weather improves.

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The Kim Il-sung regime may also have intended this move as a forceful demonstration to the new US administration that North Korea has no intention of retreating from its unconventional warfare campaign against South Korea.

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16 Apr 69

Central Intelligence Bulletin

3

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Czechoslovakia: Various Czechoslovak leaders met yesterday to prepare for tomorrow's central committee plenum which will consider Prague's response to Soviet pressures to fall in line.

The Czechoslovak national party bureau issued a statement which indicates that the lower levels of the party are deeply divided over the issue, and hints that the plenum may turn into a donnybrook if the central committee members were to reflect accurately the views in their constituencies. The bureau also discussed "organizational problems," which suggest that an attempt will be made to oust extremists.

Liberal presidium member Smrkovsky, anticipating an attempt to oust him at the meeting, has published a lively defense of his conduct in Rude Pravo, the main party daily. He admitted he was wrong in saying that the greater danger to the country came from the hard-liners, rather than from the anti-Soviet ultraliberals. Publication of his generally unrepentant views, however, suggests that at least someone in the top leadership is prepared to try to save him from disgrace at the plenum.

Student protest meetings in Prague yesterday were kept on the campuses, but the resolutions they adopted were squarely against the continued Soviet occupation and showed signs of doubt about the leadership's announced intentions to proceed with the liberal reforms. They also strongly rejected equating anti-Sovietism with anti-Communism, and objected to Brezhnev's doctrine of limited sovereignty. The students' continuing dissent promises to be a source of potential trouble.

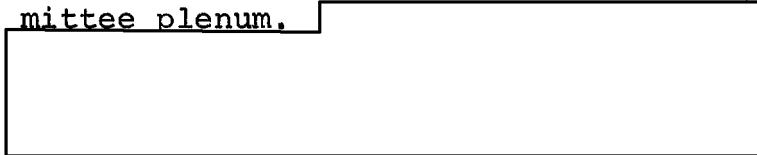
The federal, Czech, and Slovak interior ministers seem to be aware of this potential. They met in Prague yesterday to coordinate security measures

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"for ensuring order" in anticipation of the outcome of the central committee meeting. The announcement of their parley was clearly intended to intimidate those who might protest unpopular decisions by the central committee.

Reports from Moscow now suggest that party chief Dubcek will not visit there before the central committee plenum.



16 Apr 69

Central Intelligence Bulletin

5

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Cambodia: [The government appears to be carefully applying new pressure against Vietnamese Communist forces located on Cambodian territory.]

[Cambodian border elements have fought several skirmishes with Viet Cong and North Vietnamese troops in recent months. Although such incidents are not without precedent and are still fewer in number than those involving Cambodian and South Vietnamese or allied troops, they are a clear sign of growing tension between the Communists and the Cambodians in border areas. Local Cambodian officials, including at least one provincial chief, have gone so far as to contact their South Vietnamese counterparts to discuss ways in which they can cooperate against the Viet Cong.]

[The change in the Cambodian attitude is largely a result of heavier fighting along the border and the extent to which Communist troops have made increased use of their bases in the southern half of Cambodia over the past several years.]

[One North Vietnamese prisoner, for example, has told interrogators that newly infiltrated North Vietnamese troops are the cause of much of the tension. He said that Viet Cong cadre, who have been operating in Cambodia for many years, are on better terms with the Cambodians. Problems have arisen because the Communists apparently have been taking increasing liberties--expanding bases into new areas, building new fortifications--that have upset understandings reached long ago with local Cambodian officials. The Cambodians also believe the Communists are supporting local rebels.]

[The increasing willingness of local Cambodian forces to act on longstanding instructions to limit Communist activities almost certainly is also a reflection of Phnom Penh's growing preoccupation with

16 Apr 69

Central Intelligence Bulletin

6

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the problem of the Communist presence. Cambodian news media have described in greater detail than heretofore Viet Cong violations of the border, and Liberation Front representatives have been maneuvered into admitting publicly that such incidents occur. By applying pressures of this kind to the Communists, while at the same time moving toward a resumption of relations with the US, Prince Sihanouk is again trying to achieve by political maneuvering what he cannot gain by military measures.

For their part, the Communists are trying to maintain as cordial relations with the Cambodians as possible. The recent Cambodian actions do not seriously threaten Communist bases in Cambodia, and the Communists will probably not react strongly unless the Cambodians become more aggressive.



16 Apr 69

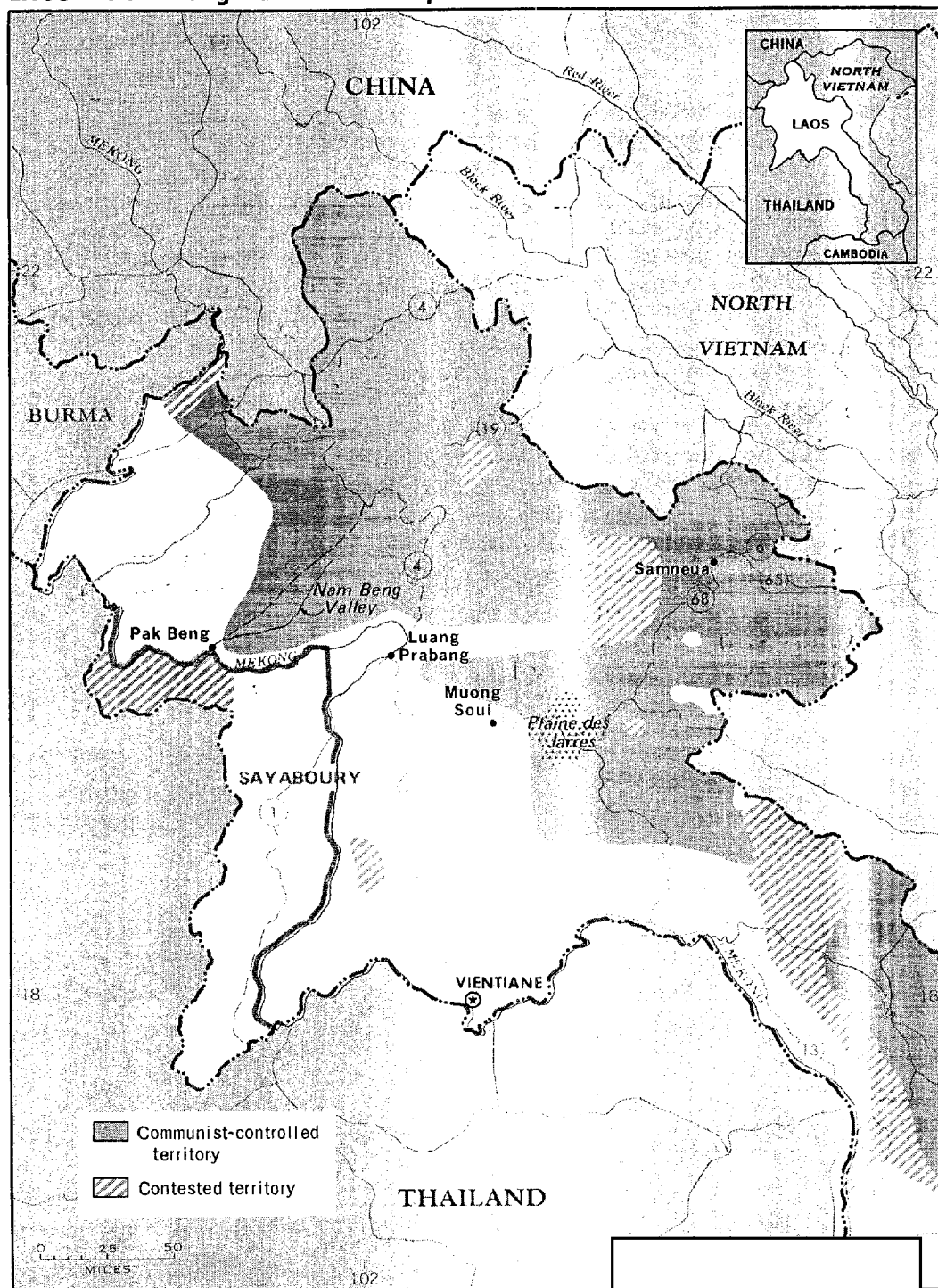
Central Intelligence Bulletin

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LAOS: Pak Beng Falls to Enemy



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Laos: The Communists have captured a government outpost astride the Mekong River in the northwest.

A series of enemy ground assaults against government forces at Pak Beng on 14 April brought about the fall of the garrison and two outlying defense positions. This caps a seven-month enemy effort to clear government forces from the Nam Beng Valley. The protracted siege may have been designed to draw off government guerrillas that have stepped up operations against Lao and Thai Communist elements along the Thai-Lao border.

Communist forces have long been able to move in the area surrounding Pak Beng and to block traffic on the Mekong, but the opening up of the valley could facilitate the movement of troops and supplies into western Sayaboury Province. The erosion of the government's presence in this area may also have an impact in Thailand, where a Communist tribal insurgency has made significant inroads in the border area.

In the Plaine des Jarres area, there has been no new major fighting but the government's counter-offensive continues to make limited headway. The Communists, probably thrown off balance by heavy air strikes, have so far limited their response to a series of probing attacks against the neutralist headquarters at Muong Soui.

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Malaysia: [Campaigning for the parliamentary and state elections on 10 May so far has been uneventful, but Communist elements reportedly plan to stage violent demonstrations.]

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[The outcome of the election is not in doubt, with the government's triparty alliance expected to retain its substantial majority in parliament. On the state level, the alliance is making a strong bid to unseat the racist Pan Malay Independence Party in Kelantan, the only state not under alliance control. A major question will be the outcome in Sarawak, where the alliance coalition has split and no party is expected to receive a majority.]

[As anticipated, Prime Minister Rahman's alliance coalition is running primarily on its record of economic prosperity and racial harmony. The dispute with the Philippines over Sabah has apparently not been raised by either the alliance or the opposition, indicating the widespread popular support enjoyed by the government on this issue.]

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16 Apr 69

Central Intelligence Bulletin

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Albania-Yugoslavia-Rumania: The Albanians have made an unprecedented public declaration that they have a common cause with Yugoslavia and Rumania because of the threat all three face from the Soviet Union.

On 11 April, Zeri i Popullit, the Albanian party daily, published an editorial which took the most positive tone toward Belgrade in recent years. At the time of the Warsaw Pact invasion of Czechoslovakia, Albania ceased polemics against its arch-enemy in Belgrade. It resumed them in late October, but cut them off again shortly before the 9th Yugoslav party congress last month. With one innocuous exception, the Albanians failed to comment at all on the Yugoslav party conclave--normally a prime target for Albanian tirades.

Since its estrangement from the Pact powers in the early 1960s, Tirana has remained on relatively good terms with the Rumanians. Although the Albanians have been hinting that they have a common cause with Bucharest, the editorial is Tirana's most blatant attempt to link the two countries in opposition to Moscow's policies.

The new approach of party chief Hoxha and company toward their Balkan neighbors--particularly Yugoslavia--reflects their recognition that Albania has a stake in the continued success of the independent-minded policies of Belgrade and Bucharest.



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Hungary: Rumors of a possible housecleaning in the Council of Ministers are circulating in Budapest. There is as yet no indication of the timing or manner of the rumored replacements, however.

The present cabinet was put together in April 1967 and, for the most part, has performed adequately. The rumors apparently concern the shift of several incompetents in the technical ministries who have not been able to meet the changing requirements of economic and political reforms. In addition, Defense Minister Czinege and Foreign Minister Peter may be retired, the former because of Soviet displeasure and the latter allegedly because of failing health. Both, however, reportedly counseled against the invasion of Czechoslovakia.

The reshuffling allegedly may affect as many as seven cabinet members, but would not mean any change in basic policies. Kadar's firm control over his regime's upper echelon and the recently announced reconfirmation of his domestic reform programs are persuasive indicators for continuity.



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India: New Delhi continues to be plagued by fissiparous tendencies among the states of the Indian Union, Andhra Pradesh being the latest example.

A combination of regional hostility and student and worker grievances, triggered by Congress Party factionalism, has seriously endangered the stability of this large southeastern state, one of the few remaining bastions of Congress Party strength.

The problem is rooted in the discrimination against the people of Telengana--the relatively underdeveloped northwest third of the state--by the two more advanced and affluent areas that merged with Telengana to form Andhra Pradesh in 1956. Most Telenganans believe that state leaders have not fully implemented the 1956 "gentleman's agreement." This agreement was a condition for the merger and provided preferential treatment for Telengana in terms of cabinet posts, government employment, and expenditure of development funds.

Popular agitation has been growing in intensity since January and now appears to have passed beyond the control of the state's political groups. Frustrated university students, who have boycotted classes for the past three months, instigated the demand for creation of a separate state of Telengana. By now a majority of the students and nearly all the activists probably are either firmly behind this separatist demand or are insisting on concessions so fundamental that separatism would result.

Chief Minister Brahmananda Reddi has increasingly alienated the Telenganans by his failure to implement the 1956 merger agreements. He has at the same time irritated rival Congress Party leaders who appear willing to retaliate by fanning the discontent.

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16 Apr 69

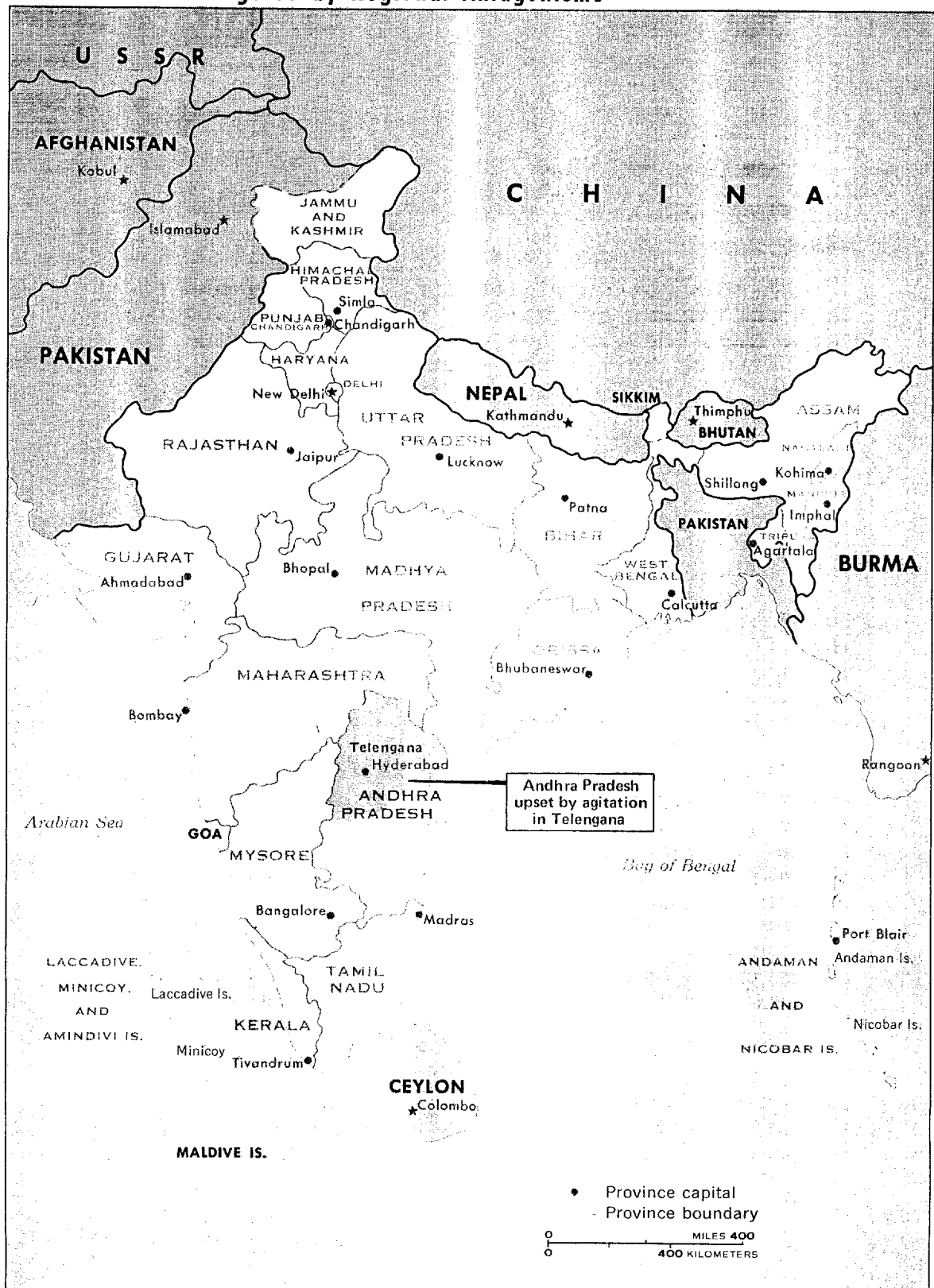
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Indian State Endangered by Regional Antagonisms



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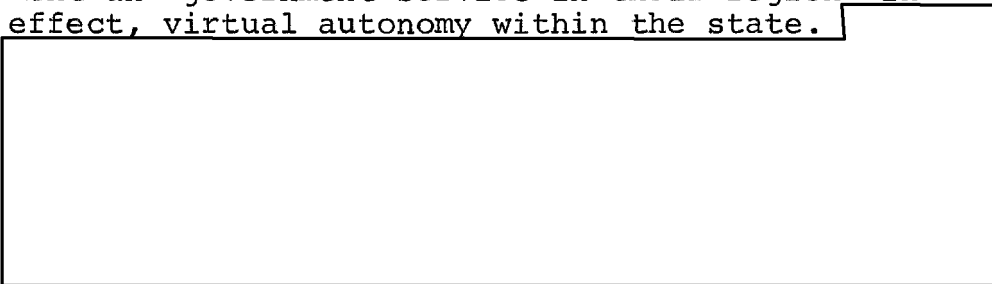
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Meetings last week between Congress leaders from New Delhi and from Andhra Pradesh resulted in agreement on a number of measures designed to implement or expand economic and political concessions granted in Telengana in the "gentleman's agreement." The initial reaction in Telengana was widespread dissatisfaction, however, and police were required to quell demonstrations in the state capital of Hyderabad yesterday.

It is questionable whether New Delhi realizes the intensity of separatist sentiment and whether the Telenganans will now accept anything short of a solution giving them control of economic development and government service in their region--in effect, virtual autonomy within the state.



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Egypt-Israel: Daily exchanges of gunfire across the Suez Canal continue to highlight the uneasy situation in the area. Artillery duels have become commonplace in recent weeks, and in an air battle Monday both sides claimed kills. For the most part, the firing has been initiated by the Egyptians. The exchanges are likely to continue as Cairo seeks to keep world attention focused on the situation and tries to counter criticism of Egyptian inaction in the face of continued Israeli occupation of Arab territory. Israel, too, may be more willing to shoot, now that it has presumably completed a network of hardened shelters along the canal.

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Colombia Opens Trans-Andean Pipeline



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Nigeria: Both federal Nigerian and Biafran delegations are to attend a meeting of the Organization of African Unity Consultative Committee on Nigeria, which is to convene on 17 or 18 April in Liberia. Neither federal leader Gowon nor Biafran leader Ojukwu opted to attend, however, and the prospects that the meeting will lead to a negotiated settlement of the civil war remain dim. Lagos, bolstered by its recent military success, will almost certainly continue to insist that Biafra renounce secession before serious negotiations begin, and Biafra seems unlikely to retreat from its demand for an unconditional cease-fire as a prerequisite for substantive peace talks.

[REDACTED]

Colombia: The first petroleum was exported from the Putumayo oilfields on 1 April following completion of the Orito-Tumaco pipeline across the Andes mountains. Exports from Putumayo, in which a Texaco-Gulf consortium already has invested \$115 million, should bring in an extra \$30 million in foreign exchange earnings this year. The pipeline's flow is expected to increase from an estimated 50,000 barrels per day by the end of this month to about 150,000 barrels per day by 1972. At that time, it is estimated Putumayo will account for half of Colombia's total petroleum production, thus helping considerably to maintain petroleum as Colombia's most important export after coffee.

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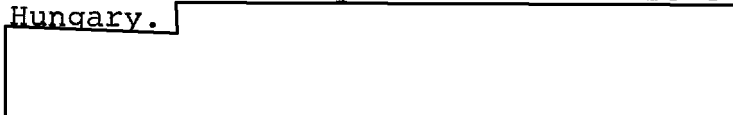
Brazil: The Costa e Silva government is planning new political punishments for "subversive and corrupt" persons, [REDACTED] The National Security Council is to meet later this month to determine the next list of state and federal politicians who will lose their political rights or be summarily retired. There is no indication that the government has come to the end of its list of those deemed undesirable, and the political purges will probably continue for some time, making difficult any return to political normality.

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Peru - Eastern Europe: The military government is pursuing its established policy of expanding diplomatic relations with Communist countries. Poland on 14 April and Hungary on 15 April became the fifth and sixth such countries with which Peru has established diplomatic relations. According to press reports, the foreign minister stated that Peru will also establish diplomatic relations with Bulgaria this week. The US Embassy in Budapest comments that the progression from trade to diplomatic relations has been unusually fast in the case of Peru and Hungary.



Canada: Prime Minister Trudeau in a speech last weekend said his government's NATO policy, including plans for reducing its military contribution, will not be clarified until Ottawa has re-examined its over-all foreign policy. He stressed that membership in NATO will not determine Canada's foreign policy. He criticized NATO for being "too much" a military alliance, and "not enough" a political alliance interested in arms control and de-escalation. The review of Canada's foreign policy begun by Trudeau last year is not expected to be completed for several months. In the meantime, Trudeau will be discussing the question of military reductions with NATO allies.



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